

Bolivia

AS A FIELD FOR AMERICAN
CAPITAL

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IMMIGRATION
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EDITORIAL COMMENT OF THE BANKERS' MAGAZINE.

Bolivia's natural resources are the subject of an interesting and instructive article in this issue of the Magazine, contributed by Senor Calderon, the Bolivian Minister to the United States.

For centuries the rich mines of Bolivia have added immense sums to the world's mineral wealth, yet they are far from being exhausted. On the contrary with the building of railways it is likely that the mineral production of the country will be enormously increased. There are numerous other sources of wealth hardly less important. The forests of rubber and hard wood; the products indigenous to the country and which are now largely imported into the United States by way of Europe; the vast areas suitable for grazing purposes—all these constitute the foundations upon which is being reared a stable structure of national prosperity.

The great variety of soil and climate, the wealth of raw materials and the multiplying wants of a population continually advancing in its requirements and in the ability to pay for them, must likewise afford excellent openings for manufacturing establishments. With the completion of the railway systems now under way—and which, through the energy of Minister Calderon, are being done in part by American capital—large cities will spring up, and the country generally will undergo a development not unlike that which has taken place in the United States.

Of course, theorists tell us that our trade with the Latin-American countries can never be of much importance, because their products too closely resemble our own. Official figures contradict this view. Our trade with Latin America increased from a total of \$234,000,000 in 1897 to \$610,000,000 in 1907, and a movement is now setting in toward the southern countries that is destined to add to our trade with them in a still greater ratio in the coming decade.

Readers of The Bankers' Magazine are fortunate in having the resources of Bolivia described to them by so eminent and conservative an authority as Minister Calderon, who not only occupies a distinguished position in the diplomatic world, but has also been connected with large banking interests in his country, and before coming to the United States was Secretary of the Treasury in the cabinet of President Pando.

Capital and enterprise receive their best rewards in opening up virgin territory, though somewhat keener judgment is needed to avoid an overreaching for profit. It is believed that Americans have the perception necessary to realize an opportunity for profitable business and the discretion to make a judicious use of it. That exceptional opportunities exist for the profitable employment of capital and enterprise in many of the Latin American countries is undoubted, and that Americans will be content to see these opportunities taken up by others alone is not believable.

Papers like that of Minister Calderon will serve an excellent purpose in calling attention to the resources of the South American countries. It is to be hoped that some of our bankers, representatives of commercial organizations, manufacturers' associations, etc., will be sufficiently interested to visit the various countries and make a personal investigation of their commercial possibilities. A better acquaintance between the peoples of the northern and southern continents would be of mutual benefit.

BOLIVIA.

A Neglected Field of Great Opportunities.

GEOGRAPHY—CLIMATE AND RIVERS—INTERNATIONAL COMMERCE
—OBSTACLES TO PROGRESS—RAILWAYS—GOVERNMENT—
BANKS AND MONETARY SYSTEM.

BY IGNACIO CALDERON,

BOLIVIAN MINISTER TO THE UNITED STATES.

Nothing draws together or unites nations or individuals more closely than a community of interests and good will. Neighbors living in adjoining houses who maintain the unapproachable spirit and a total indifference to things that might be of mutual interest, and neglect to cultivate friendly relations, remain as complete strangers as if one or the other inhabited the antipodes.

To this spirit of aloofness may be attributed the lack of intercourse between the countries of North and South America. Many persons have such a confused idea of the countries lying south of Panama that the fact is truly lamentable. The belief seems to prevail that the republics of South America are a great distance away, while in reality some of them are no farther from us than the nations of Europe, and others are even much nearer.

Fortunately, from the time of the memorable voyage of the Secretary of State, Mr. Root, last year there has been a pronounced reaction in this respect, and today there is a general desire for information about the South American republics, extending from Panama to Cape Horn.

AN INTERESTING PICTURE.

The unbiased observer who studies the progressive movement and the stability so noticeable throughout these countries will easily see that there lies a profitable and wonderful field capable of unprecedented development.

The young republics of South America occupy a vast terri-

tory of more than seven and one-half million square miles, with a population hardly reaching a total of sixty millions; and with an international commerce amounting to nearly \$1,500,000,000, yet the United States' share in this large amount is scarcely twenty per cent.

The variety of products found in this vast territory of magnificent prairies and forests, rich in tropical and temperate zone products, and high mountains abounding in incalculable mineral wealth, should be a subject of special study and interest for the North American people.

In this article it is proposed to give a sketch of one of the most interesting as well as one of the richest South American countries, which, however, is so little known.

BOLIVIA AND ITS GEOGRAPHY.

The Republic of Bolivia is situated in the heart of South America. A mediterranean country enclosed between great branches of the Andes, but occupying a most important position from an economic and international standpoint. Lying in longitude west 59 degrees 40 minutes to 73 degrees 20 minutes (Paris meridian) and in latitude 9 degrees 35 minutes and 25 degrees 30 minutes in the eastern section and 11 degrees 23 minutes towards the west, it covers an area of more than 709,000 square miles. It is bounded on the north and east by Brazil; on the south by Argentina and Paraguay, and on the west by Peru and Chili.

The Cordilleras of the Andes, traversing the whole length of the continent, divide themselves in Bolivia into two principal branches: the one of the west, forming a kind of wall between the sea and the interior, closely follows the coast; the other, extending towards the east and known as the Cordillera Real, presents a series of peaks eternally resplendent in crowns of snow and lifting their heads to heights of more than 21,000 feet, as Illimani, and the Illampu with an elevation of 21,700 feet, and others equally imposing.

The high plateau of Bolivia occupies an area of more than 66,000 square miles, with a mean altitude of from 10,000 to 13,000 feet above sea level.

It is difficult to say whether the obstacles offered by the vast mountain walls to free commerce and the communication of the people is not more than compensated by the prodigious quantity of minerals these mountains contain, making Bolivia one of the richest countries of the globe.

The forests and vast plains extending eastward, with about 7,000 miles of navigable rivers, comprise a fertile agricultural territory embracing more than 304,000 square miles.

If the natural exuberance and richness of the eastern section of Bolivia is remarkable for its products, the region of the Cordilleras is the great storehouse of mineral wealth. The silver mines of Potosi, Oruro, Colquechaca, Huanchaca, and many others, have contributed hundreds of millions to the richness of the world. No less abundant are the deposits of copper, bismuth, zinc, cobalt, gold and tin.

As the Spaniards settled first in the mining regions, the section of Bolivia situated east of the Cordillera Real, which includes the extensive territories watered by the tributaries of the Amazon and the Plata, is the least populated. There are found the vast forests filled with fine woods suitable for all industrial purposes, such as railway ties, building and cabinet-making. Some of these woods are as hard as iron. Rubber, peruvian bark, and a multitude of useful and medicinal plants abound in this soil, whose wonderful fertility could easily support many millions of inhabitants. The coffee and cocoa are conceded to be of the finest quality; fruits and all tropical products are abundant. The climate is generally healthful and suitable for settlement by European races.

THE CLIMATE.

The mean temperature of the lowlands of the Amazon to an altitude of 2,000 feet above sea level is seventy-four degrees; to an altitude of 8,000 it is sixty-six degrees; and in the central plain, where the altitude varies from 10,000 to 12,000 feet, it is fifty degrees.

It is calculated that to every 181 meters of ascent of the mountains there is a drop of one degree in the temperature.

It may be said that in Bolivia there are only two seasons—the rainy season, which corresponds to summer, and extends from December to May, and the dry or winter solstice, lasting from May to December. In the latter months it seldom rains and the sky is clear and bright. The rains are more copious in the east and at times the rivers overflow and rise as high as ten meters above their ordinary level.

THE RIVERS.

Almost all of the navigable rivers of Bolivia flow into the Amazon, the most important being the Beni, which receives the Madre de Dios, the Orton and others before reaching its confluence with the Mamore, where it takes the name of Madeira, one of the most powerful tributaries of the Amazon.

Unfortunately, the navigation of this great river is obstructed by a series of very dangerous rapids. The Government of Brazil has agreed by treaty to construct a railroad around these rapids and thus expedite the Amazon route.

The Pilcomayo and the Bermejo are rivers of importance flowing toward the southeast and emptying into the Paraguay. The eastern section of Bolivia is also rich in grazing lands, where the stock industry promises to be highly lucrative. To-day there are found vast herds of wild cattle roaming over the lands.

Lake Titicaca on the boundary line between Peru and Bolivia is notable for its great altitude, for its romantic traditions and for the monuments of that distant epoch yet standing on the Island of the Sun. The lake's surface covers an area of more than 5,200 square miles.

INTERNATIONAL COMMERCE.

During the last few years the commerce of Bolivia has increased considerably. In 1905 it reached 69,665,000 in Bolivian money; an increase of thirty per cent over the figures of the previous year; and, according to the statement of President Montes in his last message to Congress, in 1906 it reached eighty millions; and when the railroads now in course of con-

struction are completed these figures could be easily doubled in a short time.

The commerce with the United States has also grown in recent years, and the construction of the railways will greatly augment the present movement. The importations into Bolivia in 1905 amounted to \$1,720,000, and yet this small sum is a large increase compared with previous years.

During the first two months of the present year the exportations to Bolivia marked a great improvement, and amounted to \$657,892.23.

On the other hand, the importations of Bolivian products into the United States hardly reached \$60,000, while Bolivia produced rubber, tin, cocoa, cocoa leaves, peruvian bark and many other articles of great consumption in the United States, and which are purchased in Europe to be brought here.

The exportation of silver averages 13,000,000 ounces a year; copper, 5,000 tons more or less; the production of tin grows from year to year, so that from 1897, or ten years ago, when the production was about 3,000 tons, it had reached 17,000 in 1905, and during the past year it is probable that the exportation exceeded 20,000 tons of pure tin.

It is impossible to foresee the marvelous development that railway facilities will give to this industry, as well as to the general progress of the country. Bismuth, zinc and gold represent quantities no less important.

OBSTACLES TO PROGRESS.

The main causes that hinder the development of Bolivia's wealth are the difficulty and the cost of transportation, the lack of capital and the scarcity of population. To show to what an extent the high rate of freight hinders the growth of industries in Bolivia it is enough to state that coal at the seacoast is worth from eighteen to twenty-five shillings, or say four to five dollars, more or less, per ton; taken to the mines in the interior of Bolivia, according to the distance, yet this may not exceed five hundred miles, and the price will be from forty to eighty dollars. Efforts are being made to overcome this difficulty by means of electric and hydraulic power.

In spite of all the obstacles that the Bolivian industries have encountered on passing through the Amazon, the exportation of rubber in 1905 amounted to 1,700,000 kilos. This is a product whose output could be increased when the railways now building are completed. Sir Martin Conway calculates as not improbable that there may be about fifty million rubber trees in the region of the Upper Beni alone. Each tree is supposed to yield annually from three to seven pounds of rubber.

RAILWAYS UNDER CONSTRUCTION.

As the principal means of developing a country is to make it attractive and profitable for the immigrant and to facilitate the exportation of its riches, the Government of Bolivia has entered upon the construction of railways, which are so necessary for the progress of modern peoples.

The position Bolivia occupies in the heart of South America gives her commercial and international importance, and although deprived of her coast on the Pacific, she is in immediate contact with five of the most advanced republics; and it is to their interests to encourage a mutual trade for the benefits that will naturally result. And this is not all; the main railway line under construction in Bolivia has a continental bearing, as it will establish connection between the Argentine system that is now being extended into the interior of Bolivia with the Peruvian railroads coming from the north and the Pacific coast. Then Lima in Peru, La Paz in Bolivia, and Buenos Aires in the Argentine will be united within a few years by a continuous railway spanning the 2,500 miles more or less that separate the capital of Peru on the Pacific from the capital of Argentina on the Atlantic, and which will form an important section of the Pan-American Railway.

The lines to be constructed by the American syndicate are from La Paz to Tupiza, 530 miles; Oruro to Cochabamba, 133 miles; and La Paz to Puerto Pando, 200 miles; in all 863 miles.

Of these railroads the one from La Paz, passing by Oruro and Potosi to Tupiza, will form the chain uniting the republics of the Pacific with those of the Atlantic, besides traversing the

richest metallic zone that exists, perhaps, in the world. The line from Oruro to Cochabamba will open to commerce the fertile valleys of the interior of that section—the most thickly-populated portion of Bolivia—and make that part of the country accessible to the navigable branches of the Mamore.

The railroad from La Paz to Puerto Pando, a port situated at the headwaters of the Beni, will open the territories of the Beni, where rubber grows in such abundance, also coffee and all the most valuable tropical products, as well as the various classes of woods. This railway will have the peculiarity of passing in a few hours from the frigid zone of the high plains, where there is practically no vegetation, to the tropical region of the orange and sugar cane. In a distance of less than thirty miles the traveler will be transported, as if by magic, from a temperature of perhaps forty degrees or less to one of seventy or more, as he descends through wonderful scenery to the other side of the great eastern chain of the Andes.

But these railroads are not the only ones that are to transform in a comparatively few years the economic life of Bolivia and give her the rank and importance to which her size and position entitle her. By a treaty of peace recently celebrated with Chili that Republic agrees to build (and work has already commenced) a railroad from Arica to La Paz, a distance of some 300 miles. That line will unite Bolivia with the Pacific by a road much more direct than that at present afforded by the Antofagasta line, which is 575 miles long, or that from Mollendo to La Paz via Lake Titicaca, a distance of 563 miles, and will bring the city of La Paz within eight or ten hours' time of the coast.

The Bolivian Congress authorized more than a year ago the building of a railway from the borders of the River Paraguay to Santa Cruz, one of the most mediterranean cities, but destined to become one of great importance. The projectors have deposited the sum of 100,000 pesos as a guaranty for the execution of the contract, and the construction materials have begun to be transported by way of the Plata and the Paraguay rivers. The length of this line will be 497 miles. This will offer free communication to the rich oriental zone by way of

the Plata and the Paraguay and open to immigration and progress a territory of more than 242,000 square miles, watered by large rivers and of remarkable fertility. There are on foot other projects of railway construction of no less importance.

GOVERNMENT.

Bolivia has a constitution based on the unitarian form of central government. The executive power is vested in a president elected every four years by direct vote of the citizens, and who cannot be a candidate for re-election until after an intervening term.

There are six cabinet ministers, selected by the president; but Congress has the right to examine their acts, which if not approved may cause their resignation.

Congress is composed of two houses: The Deputies, who are elected in accordance with the number of inhabitants of their respective sections; and the Senators, two for each of the eight departments into which the Republic is divided.

The judicial power is vested in a Supreme Court, whose members are appointed by the Senate; and lower courts and judges. The members of the Supreme Court are elected for ten years and the other judges for four years.

Foreigners have the same rights as the natives, excepting that of suffrage, and may become members of the municipal bodies of the places where they establish their residence.

BANKS AND MONEY SYSTEM.

The establishment of banks in Bolivia is regulated by a law promulgated September 30, 1890.

There are today in Bolivia five banks of issue and three mortgage banks. The first bank was established in 1867. According to law any person desiring to open a bank of issue must ask authorization from Congress, which being granted, it is then required to show proof of the necessary capital. This should be at least 500,000 bolivianos in hard money, or silver and gold bars. The head of the bank is obliged to make affi-

davit that these funds are the property of the bank and form its capital.

The bank may then proceed to issue notes of one, five, ten and one hundred bolivianos up to an amount equal to one hundred and fifty per cent of the capital; and must keep on hand at least thirty per cent of the value of the notes issued. The loans to one individual or corporation must not exceed ten per cent of the capital. The bank is obliged to convert its bills into money upon presentation.

Bolivia has never had paper money, and currency is on the hard-money basis. The banks cannot lend on real estate. Generally they allow credit on current accounts, with guaranteed collateral or under the endorsement of two concerns of recognized standing.

For obtaining money on real estate there are special institutions called mortgage banks, which lend on this class of securities exclusively. Such loans must not in any case exceed fifty per cent of the value of the real estate. They are made for a fixed term of amortization so that at the expiration of their time the debt becomes paid.

The interest charged by the mortgage banks is eight and ten per cent, with an additional commission of one-half per cent, and so much for the amortization of the capital, according to the time of the loan.

Bolivian money is based on the silver standard, the monetary unit being the boliviano, which is a piece of silver 900 fine, weighing twenty-five grams. The smaller pieces are: the half boliviano, of twelve and one-half grams; the peseta of five grams; the real of two and one-half grams; the half real of 1.200 grams. For the latter there have been substituted the nickel five and ten centavos and the copper one and two centavos.

The bank bills represent denominations of one, five, ten, twenty and one hundred bolivianos. The value of the boliviano fluctuates, varying with the price of silver, but recently it has been steady at twenty d., or forty cents gold.

In the Congress of the latter part of last year the Government presented a project of legally adopting the gold standard,

which will overcome the inconvenience of the fluctuations in values. The plan is to make the standard gold money of twelve and one-half bolivianos equivalent in value to the pound sterling.

The establishment of the gold standard will greatly help the stability of values, thereby attracting the investment of foreign capital.

All of the Bolivian banks are established with national capital, and, as a rule, they produce an annual dividend for their shareholders of from ten to twelve per cent net. Recently the Banco Aleman Transatlantico and some other German banks have established branches in La Paz and Oruro.

The great development of the mining industries and the increased traffic that will follow the completion of the railways will offer a very profitable and sure field for foreign investment and enterprise.

THE COUNTRY'S MINERAL RESOURCES.

The mines are one of the principal sources of wealth of Bolivia. The laws relating to the adjudication of mining properties are very liberal. Any person possessing the legal capacity to contract may ask for as many as thirty hectareas in new mining regions, and an unlimited number of hectareas in sections already exploited. To the request there must be attached a stamp for ten bolivianos (\$4), and if there is no opposition the applicant becomes the owner of the property, subject to a small contribution, called the *patente*, payable annually.

In the section embraced between Oruro and Potosi, and in many places in the Department of La Paz, are found numerous lodes of tin mines, many of which are being actively worked.

In order to form an idea of the benefits of this work it is well to take into consideration the following facts:

The price of pure tin in London in recent years has fluctuated between 182 and 198 pounds sterling per ton. For the following figures we will take the minimum price of £180 per

ton. As Bolivia exports the greater part of tin unrefined, called barrillas, which is the crude metal averaging sixty per cent; the result is that a ton of *barilla de estano* represents a value of £108 net. The profit of the mines is more than one hundred per cent, according to these figures; as, counting the cost of mining, payment of duty and freight to Europe does not exceed £52 per ton.

Naturally, in some cases the cost may be much less, because this depends upon the richness of the mineral, the machinery used, etc.

The exploitation of copper offers equally as advantageous results, and is not more costly than tin.

OTHER INDUSTRIES.

In the pampas of northeast Bolivia, with an outlet to the Argentine Republic, it is possible to develop the grazing industry on a great scale, as in the provinces of the Gran Chaco, Santa Cruz and part of the Department of Chuquisaca there are extensive lands where grazing could be developed to great advantage and at a small cost.

Regarding the exploitation of rubber, in all the eastern region about the tributaries of the Amazon, such as the Beni, Mamore and the Madre de Dios, are found vast forests of rubber trees, whose exploitation offers a profitable field.

These industries demand capital for development on a large scale.

On account of the development of the mining industry in Bolivia there is a great demand for all kinds of mechanical appliances, and therefore the manufacturers could find a good market for their products.

IMMIGRATION LAW PROMULGATED MARCH 18, 1907.

SECTION I.—*Concerning the immigrant and his privileges.*

ARTICLE I. An immigrant is any alien agricultural or industrial worker, under 60 years of age, who, upon proof of good moral character and efficiency, desires to locate in the Republic.

ART. 2. The immigrant who comes to locate in the country shall enjoy, at the present time, the following privileges:

(a) The right to travel to his place of destination over railways and highways of the Republic.

This right extends to his wife and male children over 18 years of age.

(b) The right to transport his baggage free of duty.

By baggage is understood: His bed and domestic kitchen and household utensils; the tools of his trade or profession, and a firearm for hunting purposes.

(c) The right to occupy public lands for agricultural purposes, stock raising, or useful industries.

Each immigrant may occupy 50 hectares, the valuation of which is fixed at 10 cents per hectare.

(d) Children over 14 years of age shall have the right to 25 hectares.

(e) The right to enjoy easy terms in the payment of the land that he occupies.

These terms are understood to be the following: The immigrant may pay in cash or in five yearly installments. In the latter case, 5 per cent annually will be added to the value of the lands occupied. The immigrant may commence to pay the yearly installments beginning with the third year of his occupancy, with a 5 per cent reduction on the amounts paid in advance.

(f) The right to request of the Immigration Office such data, suggestions, recommendations, and accommodations as may be granted him in conformity with these rules and regulations.

SECTION II.—*Concerning the distribution and ownership of lands.*

ART. 3. The immigrant who observes the requisites prescribed by these rules and regulations has the right to acquire public lands under the conditions hereinafter mentioned.

ART. 4. The lots shall be surveyed and marked by the en-

gineers commissioned by the Department of Colonization and Agriculture, and the adjudication shall be made by means of a deed.

ART. 5. The immigrants may freely select the land they desire in the designated immigration zones, paying the price fixed, and in accordance with the conditions specified in article 2.

ART. 6. Children over 18 years of age shall have the right to acquire lots to locate upon separately whenever they so request.

ART. 7. The immigrant who possesses a certain lot may acquire, by purchase or other regular means, not exceeding two more lots, but only after three years of residence or actual cultivation of his lot.

ART. 8. No immigrant shall possess more than three lots by purchase, mortgage, or any other means.

ART. 9. In case of a division of an inheritance the division of a lot of less than 16 hectares shall not be permitted.

ART. 10. The lots shall be delivered with their respective measurements and demarcation.

ART. 11. On measuring the lots an intervening lot shall be left between each adjudication.

ART. 12. Deeds or titles for immigrants are divided into two classes—provisional and definite.

(a) The first class shall be signed by the agent of the Government and delivered to the immigrants who acquire lands on time payments. The second class of titles shall be signed by the Government and in the presence of the Notary of the Treasury, and shall be delivered to such immigrants as shall have paid their indebtedness.

(b) The provisional or definite titles shall be delivered without charge to the immigrants at their request.

(c) In case of a purchase on time, the immigrant shall not alienate, hypothecate nor subject the lands or improvements made thereon to any incumbrance, it being understood that both the lands and the improvements are pledged to the Public Treasury until complete payment of the lot is made.

This provision does not include the case of a legitimate in-

heritance, in which the property will pass to the heir with its mortgage and incumbrances.

(*d*) The provisional and definite titles shall be recorded in a special book in the Bureau of Labor, and shall also be registered in the Notarial Office of the Treasury.

(*e*) In the premise or body of the definite titles there shall be set forth: First, the exact description of the boundaries of the lot; second, the length and directions of the dividing lines; third, the square surface and the names of the adjoining lots, and fourth, the conditions and obligations to which the purchasing colonists are subject. Each deed must contain a small plan of the property.

ART. 13. Every immigrant who, within two years from acquiring his title calculated from the date of entry into possession, has not established his permanent residence nor begun the cultivation of the land, shall lose the right to the lot, which shall be sold at public auction, after having been duly advertised.

From the product of the sale there shall be deduced, in the first place, the amount of the indebtedness to the State, then the indebtedness to which the property is subject, and the remainder shall be delivered to the immigrant, and in his absence deposited in the National Treasury.

SECTION III.—*Concerning the bureau of information and the reception of immigrants.*

ART. 14. The consulates of the Republic in general, and especially the consular offices at Hamburg, Vienna, Antwerp, Barcelona, Paris, Bordeaux, Havre, Marseilles, Lyon, London, Liverpool, Genoa, Naples, Rome, Turin, Milan, Lisbon, Stockholm, Berne and Geneva, hereby become emigration offices for emigrants, and direct agents of the Government.

ART. 15. It is the duty of these offices to procure for immigrants and industrial workers who so request detail information concerning the country and its natural commercial and industrial conditions; to use their influence in negotiating for accommodations for moving the immigrant and advantageous conditions of transportation, especially with the steamship

companies, with whom they treat for a reduction, which is generally granted to groups of immigrants.

To this end the Department of Colonization will forward propaganda publications in the principal languages, and all the suggestions and instructions that may be necessary.

ART. 16. The bureaus of information shall have a special subvention to pay the expenses of propaganda.

ART. 17. The emigration agents shall send with each group of immigrants a list of the persons who compose the group, giving the following information: Name of the steamer carrying the group, date of sailing, Christian and surname of the immigrant, his age, sex, condition (single, married, or widowed), nationality, occupation, whether he can read or write, point of embarkation, and place of destination. It shall also be indicated whether the immigrants come in a private capacity or whether they are contracted for by immigration or colonization companies.

ART. 18. The emigration agents shall require of the free immigrants a certificate of the municipal district from which they come, setting forth their character, trade, or profession, and their known personal conditions.

ART. 19. If the emigration should be made collectively under the direction of companies or at the request of a private person, the official agent of the Government shall intervene in the contract and shall attend to the embarking of the immigrants and other matters related thereto. In addition he shall see that the emigration companies state the truth to the immigrants and explain the conditions of the contract, so that they may not be deceived by promises and exaggerated statements which would result in injury to the country.

ART. 20. There shall be established in the Department of Colonization and Agriculture a special office called the "Bureau of Labor," which shall have exclusive charge of immigration matters.

ART. 21. The Bureau of Labor shall arrange to receive the immigrants, arrange for the transportation of their persons and baggage, designate the lots of land they are to occupy, and find occupation for them if they are artisans or professional men.

The bureau of Labor shall register them in the proper book and obtain for them all kinds of accommodations until they are settled.

ART. 22. Said Bureau shall keep a registration book of immigrants, giving all particulars in each case; also a register book of lots of land adjudicated, and a book or books of receipts and disbursements.

ART. 23. The funds appropriated for the promotion of immigration shall be disbursed by this Bureau.

ART. 24. Persons desiring to contract immigrants among individuals who privately set out for this country as well as in the immigration centers of Europe must negotiate with the Bureau of Labor if they wish to enjoy the privileges of these rules and regulations, in which case they shall request permission in writing of the Department of Colonization before landing the immigrants, stating the number of individuals they desire to bring in, the work at which they are to be employed, and their submission to the provisions of these rules and regulations.

ART. 25. Private contracts with immigrants made without fulfilling the foregoing conditions shall not enjoy any of the privileges granted by these rules and regulations.

ART. 26. In the capitals of the Department immigration committees shall be formed, composed of the prefect of the Department, a member of the municipal council, and a secretary of election, the latter officer being salaried, and these committees shall cooperate with the main office of the Bureau of Labor in all of their works, especially in the location and settlement of the immigrants in the zones and regions to which they are destined.

SECTION IV.—*Funds for propaganda.*

ART. 27. The following shall be considered special funds for the promotion of immigration: Those set aside in the budget of the respective Department for this purpose.

ART. 28. The inversion of these funds and of others that may be appropriated for the purpose shall be for publications

of propaganda, the payment of passage to private transportation companies, and expenses of the Bureau of Labor and of the immigration offices in Europe.

SECTION V.—*Rights and obligations of immigrants.*

ART. 29. In addition to the special privileges granted in these rules and regulations immigrants shall enjoy the guarantees conceded to foreigners by the political constitution of the State.

ART. 30. Immigrants must obey the laws of the country and observe the special immigration and colonization rules and regulations that the authorities may enact.

ART. 31. Centers of immigration having one hundred families shall have schools for both sexes supported by the State.

ART. 32. The Department of Colonization and Agriculture is charged with the execution of the present decree.



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